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HOUSE BILL 1504

59th Legislature

2005 Regular Session

By Representatives Simpson, Woods and Lovick

Read first time 01/26/2005. Referred to Committee on Transportation.

- 1 AN ACT Relating to abandoned vehicle auctions; and amending RCW
- 2 46.55.110 and 46.55.130.

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State of Washington

- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 46.55.110 and 2002 c 279 s 11 are each amended to read 5 as follows:
 - (1) When an unauthorized vehicle is impounded, the impounding towing operator shall notify the legal and registered owners of the impoundment of the unauthorized vehicle and the owners of any other items of personal property registered or titled with the department. The notification shall be sent by first-class mail within twenty-four hours after the impoundment to the last known registered and legal owners of the vehicle, and the owners of any other items of personal property registered or titled with the department, as provided by the law enforcement agency, and shall inform the owners of the identity of the person or agency authorizing the impound. The notification shall include the name of the impounding tow firm, its address, and telephone number. The notice shall also include the location, time of the impound, and by whose authority the vehicle was impounded. The notice

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shall also include the written notice of the right of redemption and opportunity for a hearing to contest the validity of the impoundment pursuant to RCW 46.55.120.

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- (2) In addition, if a suspended license impound has been ordered, the notice must state the length of the impound, the requirement of the posting of a security deposit to ensure payment of the costs of removal, towing, and storage, notification that if the security deposit is not posted the vehicle will immediately be processed and sold at auction as an abandoned vehicle, and the requirements set out in RCW 46.55.120(1)(b) regarding the payment of the costs of removal, towing, and storage as well as providing proof of satisfaction of any penalties, fines, or forfeitures before redemption. The notice must also state that the registered owner is ineligible to purchase the vehicle at the abandoned vehicle auction, if held.
- (3) In the case of an abandoned vehicle, or other item of personal property registered or titled with the department, within twenty-four hours after receiving information on the owners from the department through the abandoned vehicle report, the tow truck operator shall send by ((certified)) first class mail, with return receipt or signature confirmation requested, a notice of custody and sale to the legal and registered owners and of the penalties for the traffic infraction littering--abandoned vehicle.
- (4) If the date on which a notice required by subsection (3) of this section is to be mailed falls upon a Saturday, Sunday, or a postal holiday, the notice may be mailed on the next day that is neither a Saturday, Sunday, nor a postal holiday.
 - (5) No notices need be sent to the legal or registered owners of an impounded vehicle or other item of personal property registered or titled with the department, if the vehicle or personal property has been redeemed.
- **Sec. 2.** RCW 46.55.130 and 2002 c 279 s 12 are each amended to read 32 as follows:
- 33 (1) If, after the expiration of fifteen days from the date of 34 mailing of notice of custody and sale required in RCW 46.55.110(3) to 35 the registered and legal owners, the vehicle remains unclaimed and has 36 not been listed as a stolen vehicle, or a suspended license impound has 37 been directed, but no security paid under RCW 46.55.120, then the

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registered tow truck operator having custody of the vehicle shall 1 2 conduct a sale of the vehicle at public auction after having first published a notice of the date, place, and time of the auction in a 3 newspaper of general circulation in the county in which the vehicle is 4 located not less than three days and no more than ten days before the 5 date of the auction. For the purposes of this section a newspaper of 6 general circulation may be a commercial, widely circulated, free, 7 classified advertisement circular not affiliated with the registered 8 tow truck operator. The notice shall contain a description of the 9 vehicle including the make, model, year, and license number and a 10 notification that a ((three-hour)) public viewing period will be 11 12 available before the auction and the length of that viewing period. 13 The auction shall be held during daylight hours of a normal business The viewing period must be one hour if twenty-five or fewer 14 vehicles are to be auctioned, two hours if more than twenty-five and 15 fewer than fifty vehicles are to be auctioned, and three hours if fifty 16 17 or more vehicles are to be auctioned.

(2) The following procedures are required in any public auction of such abandoned vehicles:

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- (a) The auction shall be held in such a manner that all persons present are given an equal time and opportunity to bid;
- (b) All bidders must be present at the time of auction unless they have submitted to the registered tow truck operator, who may or may not choose to use the preauction bid method, a written bid on a specific vehicle. Written bids may be submitted up to five days before the auction and shall clearly state which vehicle is being bid upon, the amount of the bid, and who is submitting the bid;
- (c) The open bid process, including all written bids, shall be used so that everyone knows the dollar value that must be exceeded;
- (d) The highest two bids received shall be recorded in written form and shall include the name, address, and telephone number of each such bidder;
- (e) In case the high bidder defaults, the next bidder has the right to purchase the vehicle for the amount of his or her bid;
- 35 (f) The successful bidder shall apply for title within fifteen days;
- 37 (g) The registered tow truck operator shall post a copy of the 38 auction procedure at the bidding site. If the bidding site is

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different from the licensed office location, the operator shall post a clearly visible sign at the office location that describes in detail where the auction will be held. At the bidding site a copy of the newspaper advertisement that lists the vehicles for sale shall be posted;

- (h) All surplus moneys derived from the auction after satisfaction of the registered tow truck operator's lien shall be remitted within thirty days to the department for deposit in the state motor vehicle fund. A report identifying the vehicles resulting in any surplus shall accompany the remitted funds. If the director subsequently receives a valid claim from the registered vehicle owner of record as determined by the department within one year from the date of the auction, the surplus moneys shall be remitted to such owner;
- (i) If an operator receives no bid, or if the operator is the successful bidder at auction, the operator shall, within forty-five days, sell the vehicle to a licensed vehicle wrecker, hulk hauler, or scrap processor by use of the abandoned vehicle report-affidavit of sale, or the operator shall apply for title to the vehicle.
- (3) A tow truck operator may refuse to accept a bid at an abandoned vehicle auction under this section for any reason in the operator's posted operating procedures and for any of the following reasons: (a) The bidder is currently indebted to the operator; (b) the operator has knowledge that the bidder has previously abandoned vehicles purchased at auction; or (c) the bidder has purchased, at auction, more than four vehicles in the last calendar year without obtaining title to any or all of the vehicles. In no case may an operator hold a vehicle for longer than ninety days without holding an auction on the vehicle, except for vehicles that are under a police or judicial hold.
- (4)(a) In no case may the accumulation of storage charges exceed fifteen days from the date of receipt of the information by the operator from the department as provided by RCW 46.55.110(3).
- (b) The failure of the registered tow truck operator to comply with the time limits provided in this chapter limits the accumulation of storage charges to five days except where delay is unavoidable. Providing incorrect or incomplete identifying information to the department in the abandoned vehicle report shall be considered a failure to comply with these time limits if correct information is

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- 1 available. However, storage charges begin to accrue again on the date
- 2 the correct and complete information is provided to the department by
- 3 the registered tow truck operator.

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